CHANGING
the
ODDS

progress and promise in atlanta
ACKNOWLEDGMENTS

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ABOUT THE ANNIE E. CASEY FOUNDATION

The Annie E. Casey Foundation is a private philanthropy that creates a brighter future for the nation's children by developing solutions to strengthen families, build paths to economic opportunity and transform struggling communities into safer and healthier places to live, work and grow. For more information, visit the Foundation's website at www.aecf.org.

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IN 2015, the Annie E. Casey Foundation released *Changing the Odds: The Race for Results in Atlanta*,¹ which explored the barriers that prevent many African-American families, especially those living along and below Interstate 20 (I-20), from accessing the opportunities necessary to thrive. The report focused on three key areas that support or thwart children’s ability to reach their full potential — the community where they grow up; their educational and developmental experiences; and their family’s access to economic opportunities.

While some progress is being made, the gap between the haves and have-nots remains immense. Atlanta has been recognized as one of two cities in the nation, along with Washington, D.C., where African Americans are faring the best economically.² Yet it also leads the nation in income inequality.³

These pervasive inequities — the result of chronic disinvestment and long-standing racist policies — continue to prevent many African-American residents, who make up a majority of the city’s population, from accessing the opportunities necessary for them to fully contribute to, and benefit from, Atlanta’s growing economy.

Unsatisfied with the status quo and using resident voices as their guide, forward-thinking organizations are working to establish more equitable pathways to education, housing, careers and wealth. This work is just the beginning, however, of what needs to be a much larger movement involving policymakers, public systems, business leaders, nonprofits and philanthropic institutions joining forces to help children and families of color in Atlanta and throughout Georgia move beyond merely surviving and begin to thrive.

This report focuses on promising policies and approaches that invest in the talents and strengths of all residents. If developed and brought to a larger scale, these kinds of solutions can begin to dismantle the systemic barriers that have kept too many Atlantans of color from reaching their full potential. Leaders at every level, including neighborhoods, city and state government, nonprofit organizations and the philanthropic and private sectors, must help advance this ongoing work so that together we can improve the odds for children of color, their families and their communities.

¹ *Changing the Odds: The Race for Results in Atlanta*.
² Atlanta ranked second in 2014 in the nation for African American economic well-being.
³ Atlanta ranked 30th in 2012 for income inequality. The national average is 25th.
ATLANTA REMAINS A CITY DIVIDED

Metro Atlanta comprises 25 neighborhood planning units (NPUs). Established by former mayor Maynard Jackson, the NPU system enables residents to influence zoning, land use and other planning decisions in their community.

As was the case in the first Changing the Odds report, there is a clear divide between wealthier, majority-white communities to the north of I-20 and poorer communities to the south and west where the majority of residents are African American. The city’s most significant demographic change since that report’s release was the population shift in NPU-M — the Old Fourth Ward — from majority African American to majority white.

Despite marginal gains since the first *Changing the Odds* report in 2015, people of color in Atlanta still face immense inequities. African Americans experience an unemployment rate that is nearly five times higher than for white city residents and have incomes that are one-third what their white counterparts make. Even larger disparities appear in the percentage of children living in high-poverty areas. The rate for all racial and ethnic groups in the city declined over that same period, though it remains highest for African-American and Latino kids.

Amid these persistent challenges, however, there has been progress. For example, the high-school graduation rate for African-American and Latino students rose by 21 and 20 percentage points, respectively, since 2014.4

### Demographic Shifts in Atlanta

Although the city has become increasingly diverse over the past few decades, African Americans and whites together represent nearly 90 percent of the city’s total population.

Note: Population figures do not include residents who identified more than one race/ethnicity.


### Fewer Children Are Living in High-Poverty Areas

While all racial and ethnic groups have experienced reductions, progress has been much slower for African-American and Latino children, who are still much more likely to live in high-poverty areas.

Note: The effects of concentrated poverty begin to appear once neighborhood poverty rates rise above 20 percent and continue to grow as the concentration of poverty increases up to the 40 percent threshold.5

Definition: Children includes ages 0–17.

INCOMES HAVE RISEN AT AN UNEVEN PACE

Despite a $3,000 increase in the median annual household income in Atlanta, African Americans and Latinos still earn much less than their white counterparts.


MORE ATLANTANS AGES 16–64 ARE WORKING

The overall employment rate in Atlanta increased from 86 to 90 percent. While all racial and ethnic groups saw gains, the employment rate for African Americans remains far lower.


MORE HIGH SCHOOL STUDENTS ARE GRADUATING ON TIME

Source: Atlanta Public Schools analysis of data from 2013–14 and 2017–18 school years.
Safe and affordable housing underpins children’s success in school and adults’ success in the workplace. Yet the housing options for lower-income individuals in Atlanta are increasingly limited, especially for families living in the predominantly African-American neighborhoods along and below I-20. These communities have the city’s highest concentrations of blighted properties. Residents there also are more likely to face a high housing cost burden and, as a result, a much larger threat of eviction.
Regulatory issues and siloed systems, coupled with the lack of public subsidies and flexible private capital, have contributed to a loss of more than 5,000 low-cost housing units since 2010. At the same time, the number of high-priced and market-rate units continues to skyrocket. An estimated 95 percent of the 10,000 new apartments built in Atlanta between 2013–2016 are considered “luxury,” though median household income only increased by 6 percent over that same period.

With surging rents come increased property taxes and often gentrification. This pattern, combined with years of disinvestment, is making it nearly impossible for low-income families to secure and retain stable housing and puts longtime homeowners at a much higher risk of displacement.

After falling to less than 2 percent in 2013, the eviction rate in Atlanta climbed to 5 percent by 2016, with lower-income African-American families overwhelmingly bearing the brunt. The eviction process in Georgia is swift, beginning with a late notice as soon as two days after rent default and ending with tenants being removed from the home less than a month later. An eviction not only makes it harder for an individual to secure a new lease, but also can negatively affect work, school and mental health. Because of these cascading effects, Pulitzer Prize-winning sociologist Matthew Desmond considers eviction not just a result of poverty, but “the cause of it.”

Local leaders from across the public and private sectors are partnering in new ways to reverse these trends, including commissioning research to understand the underlying racial and systemic causes, reexamining policy and exploring best practices from other communities across the country. Those efforts are beginning to address the affordable housing crisis and, with continued support, can ensure that people of all income groups can continue to call Atlanta home.

Central to their efforts is a commitment to creating and preserving more affordable units, while authentically engaging residents along the way.

**COORDINATING INVESTMENTS TO PRESERVE AND PROMOTE AFFORDABLE HOUSING**

Collaboration is a powerful and necessary tool to address the affordable housing shortage in Atlanta. In 2018, Enterprise Community Partners helped launch the HouseATL Funders’ Collective to maximize investment in both the development and preservation of affordable housing units and to support the other recommendations that the broader HouseATL collective has outlined (see page 9). The group comprises Atlanta-area funders from the public and private sectors.

One of the collective’s first major projects was to preserve a 120-unit apartment complex on the Southside. Community members were concerned that the complex, located just four miles from downtown and near a primary entrance to the Atlanta BeltLine’s Westside Trail, would be converted into high-cost luxury housing. A subset of the collective pledged $8 million to acquire the 1940s-era building, the majority of which will be transformed into modern, affordable one- and two-bedroom apartments for low-income families.

Over the next eight to 10 years, the Funders’ Collective hopes to advance HouseATL’s goal to create or preserve 20,000 affordable homes by establishing a more
An effective system for combining public and private funding to accelerate affordable housing opportunities. As an initial step, the collective has partnered with JPMorgan Chase to create an online platform to help members better assess potential affordable housing projects.

**SUPPORTING RESIDENT ORGANIZING**

Recognizing the importance of resident voice and action, Housing Justice League (HJL), an Atlanta-based nonprofit, collects and analyzes data, including surveys and interviews, to equip community members to advocate for anti-gentrification and anti-displacement policies. For example, HJL started the Renter’s State of Emergency campaign in 2016 to document the impact of new development projects, such as the Atlanta BeltLine and former Turner Field. Using the information gathered, residents have begun advocating for a comprehensive set of reform policies, including protections for renters during the eviction process; inclusionary zoning policies that would require developers to designate a certain percentage of units in new developments as affordable; property tax abatement programs to protect low-income homeowners; and increased code and vacancy enforcement to spur the conversion of abandoned and dilapidated homes into safe and affordable properties.

Another community-based organization, the Partnership for Southern Equity, launched a nine-month leadership program in 2018 to help residents effect positive neighborhood-level change. Called Resident Leaders for Equity (RLE), the program enables individuals living in the city’s Neighborhood Planning Unit V (NPU-V) to learn about racial equity, displacement and gentrification, and equips them with tools and resources to strengthen their own community organizing and mobilization skills.

“More than anything, this program helped me see that effective community organizing can only proceed on the basis of genuinely trusting relationships,” says Jason Rhodes, an RLE member who lives in Southside Atlanta’s Summerhill neighborhood. “We created those relationships over the course of our nine months together and have now formed an effective organizing team that draws on the strengths of that diversity.”

Members of the first class of RLE graduates are focusing on multiple efforts, including in the Pittsburgh neighborhood where they identified 357 vacant structures in need of renovation.

“We have decided to view the vacant, abandoned properties in our neighborhoods as a resource rather than blight,” says Rhodes. “And we are developing a strategy of converting them to permanently affordable housing.”

Through these and other grassroots efforts, Southside residents are using their voices to push for policies and practices that will strengthen and enhance their communities, while also preventing the displacement of longtime residents. They are the true experts on the challenges and opportunities that exist in their neighborhoods and should be supported to bring those perspectives to the fore.
After affordable housing emerged as a central issue during the 2017 mayoral race, more than 80 partners from the nonprofit, real estate, academic, advocacy, philanthropic and government sectors mobilized under the name HouseATL to develop an action plan for the city. Spearheaded by Urban Land Institute Atlanta (ULI Atlanta), this public-private partnership began exploring various housing and equity issues, including affordability and preservation, public financing and private investment strategies, and community retention.

After several months of research and working group meetings, HouseATL released a comprehensive set of recommendations in September 2018. Among other things, the plan calls for an additional $500 million in public resources and $500 million in private funding to be invested in 20,000 new and preserved affordable housing units; property-tax relief and eviction-prevention initiatives to curtail displacement; wealth-building strategies for low- and moderate-income residents; and increased cross-sector collaboration.

After releasing the recommendations, the group quickly transitioned into implementation. One of the earliest victories was the creation of a new cabinet-level position in the mayor’s office to coordinate affordable housing efforts, including increased investment and policy changes. In January 2019, the City Council also approved zoning changes that would allow homeowners to create accessory dwelling units on their property, enable the construction of smaller four- to 12-unit apartment buildings and eliminate minimum parking requirements, which can prevent housing density.

With support from Mayor Keisha Lance Bottoms and her newly appointed Chief Housing Officer Terri Lee, HouseATL continues to advance its other recommendations while exploring innovative approaches to maximize resources and impact.

“MAYOR Bottoms and I are excited to work in partnership with the many leaders who have stepped up to address this critical issue in a comprehensive and equitable manner. We are deeply committed to this work and will continue to enact policy to ensure we are meeting the housing affordability needs of all Atlantans.”

Terri Lee, Chief Housing Officer, City of Atlanta
HOUSING IN ATLANTA

HOUSING AFFORDABILITY IS A CITYWIDE CHALLENGE THAT DISPROPORTIONATELY AFFECTS AFRICAN AMERICANS

57%
OF HOUSEHOLDS IN THE CITY OF ATLANTA ARE RENTER OCCUPIED

27%+
OF RENTERS IN EVERY NPU SPEND MORE THAN 30% OF THEIR INCOME ON HOUSING

60%+
OF RENTERS IN 14 OF ATLANTA’S 16 MAJORITY-BLACK NPUs SPEND MORE THAN 30% OF THEIR INCOME ON HOUSING

AVERAGE RENTAL COSTS ARE OUTPACING EARNINGS (2011–2016)

- 48% AVERAGE HOME RENTAL COST INCREASE
- 10% AVERAGE EARNINGS INCREASE

Sources: Rainmaker Insights and the U.S. Bureau of Economic Analysis (analysis via Neighborhood Nexus).

LESS THAN HALF OF ALL ATLANTANS OWN THEIR HOMES

ATLANTA

- 43%
- 32%
- 40%
- 36%
- 57%


The share of blighted and abandoned homes is much higher in Atlanta’s predominantly African-American neighborhoods, which were hard hit by the foreclosure crisis and Great Recession.

Source: Atlanta Housing Condition Survey, 2012.
Today's young people hold our collective prosperity in their hands. They are our future business leaders, policymakers, teachers, inventors and visionaries. Yet in Atlanta, ZIP code, skin color and family income too often determine whether children receive the resources they need to be healthy and develop on track socially, emotionally and academically.

preparing children for

EDUCATIONAL SUCCESS
We know that children who attend high-quality early care and learning programs are more likely to read proficiently by the end of third grade, go on to graduate from high school, attend college and obtain employment. But with an average annual cost of $7,644 in Georgia — more than in-state college tuition — high-quality, full-time care is simply unaffordable for many low- and moderate-income families in Atlanta. At nearly 30 percent of their annual median household income, this is especially true for African-American residents. The options parents can afford often lack the accreditation or standards necessary to adequately prepare children for success in school. To make matters worse, the supply at licensed centers falls far short of the demand — especially in centers participating in Georgia’s Quality-Rated program, which aims to assess and improve the level of quality in early learning settings.

High-quality, reliable child care benefits not only children, but also their parents and surrounding communities. Access to such care has been linked to increased workforce participation and overall economic productivity. Without it, families across the nation stand to lose more than $8 billion in combined wages annually, depressing their spending and ability to save.

Along with quality child care, several other factors, including stable housing conditions and equitable school discipline policies, can have a profound impact on children’s future academic success. Living in poorly maintained homes with excessive mold and moisture or infestations of cockroaches and mice can trigger or worsen asthma and respiratory infections. Frequent flare-ups can cause children to miss school and fall behind.

Unnecessary suspensions and expulsions, which African-American students receive at a disproportionate rate, also contribute to absenteeism and academic challenges down the line. When children are suspended in the early grades, their chances of achieving proficiency in third-grade reading and eighth-grade math — future predictors of high school graduation (see page 17) — decline, while their chances of being suspended again in the later grades significantly increase.

Advocates in Atlanta have begun work on multiple fronts to address these issues and ensure all children can access superior learning experiences that enable them to meet or exceed key academic milestones and continue down a successful academic pathway.

The Atlanta Public Schools district, for example, has begun promoting practices that support students’ social-emotional learning, including their ability to set and achieve goals and develop positive relationships, and made numerous revisions to its student behavior code over the last several years. Since implementing those changes, the district saw a 25-percent decrease in the number of students receiving out-of-school suspensions. Drops were most notable among African-American boys and girls, who respectively saw a five-point and two-point reduction.

INCREASING ACCESS TO QUALITY EARLY CHILDHOOD EDUCATION

A growing movement in Atlanta and throughout the state seeks to improve the quality of care young children receive. The Georgia
Early Education Alliance for Ready Students (GEEARS), for example, is leading a large collective impact effort with partners from the academic, philanthropic, business and policymaking fields to tackle a wide swath of early childhood issues. The group developed a comprehensive reform plan that calls for the creation of a fund to help providers in Atlanta’s low-income neighborhoods become Quality Rated; provide child care scholarships to low-income families; and expand summer transition programs to prepare children for kindergarten. GEEARS launched its Promise All Atlanta Children Thrive initiative in 2019 to secure the funding and support needed to put this plan into action.

**SUPPORTING STABILITY AND REDUCING ACADEMIC DISRUPTION**

Even when children have access to high-quality early learning settings, unsafe and unstable housing situations can impede their academic success.

In 2016, the Atlanta Volunteer Lawyers Foundation (AVLF) launched the Standing with Our Neighbors™ initiative to provide low-income public school parents with free legal counsel and other support to help them navigate difficult landlord-tenant issues including forced evictions, mold and utility shutoffs.32

The organization initially focused on Thomasville Heights Elementary in Southeast Atlanta, which consistently ranked among the lowest-performing schools in the state. During the 2016–2017 school year, AVLF and its volunteer attorneys stopped 20 evictions and provided free legal representation to more than 81 families facing abusive rental practices or who needed critical repairs to their units. As a result of these efforts, 36 percent fewer students had to change schools during the academic year.33

After identifying neighborhoods with the highest concentrations of renters, poverty, pediatric asthma and school turnover, AVLF expanded the program to seven additional schools, all located in majority-African-American communities. Though the need is greatest in these schools, many other families throughout the city could use the same kind of support. With 24 percent of students across the district changing schools during the school year — more than 40 percent in 16 schools where the student bodies are at least 95 percent African American or Latino34 — more funding is needed to expand these types of services and ensure all children can focus on their learning and development.

“Moving around from home to home and having to start over and over again decreases a student’s chances of graduating from high school on time,” explains Laketa Whittaker, a resident of South Atlanta who provides housing assistance to families through AVLF. “That’s why we are working inside the schools to help children and their families stay in their homes and minimize those academic disruptions.”

**THE SUPPLY OF QUALITY CHILD CARE FALLS SHORT OF DEMAND (JUNE 2018)**

<table>
<thead>
<tr>
<th>TOTAL CHILDREN AGES 0–5 WHO NEED CARE</th>
<th>TOTAL AVAILABLE CHILD CARE SLOTS</th>
<th>SLOTS IN QUALITY-RATED CHILD CARE FACILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>35,850</td>
<td>22,531</td>
<td>8,100</td>
</tr>
</tbody>
</table>

In 2014, Atlanta Public Schools began a systemwide analysis to understand the causes of academic inequities in hopes of creating better outcomes for its students. The district conducted a comprehensive audit of personnel, student and facilities data, seeking to identify policies and practices that contribute to inequitable outcomes. The audit uncovered a wide range of factors, including inequitable access to rigorous courses, gifted and talented programs, playgrounds and effective classroom teachers, as well as a lack of funding for school social workers and counselors.

The district has begun making significant changes based on those findings. For example, it changed its funding formula in the 2018–2019 school year to provide additional financial support to schools that serve higher percentages of struggling students and children in low-income families. Some of the district’s lowest-performing schools, referred to as turnaround schools, are also receiving more support, which has enabled them to provide intensive academic services to students who are falling behind and specialized professional learning and coaching for teachers. The support covers vision services and eyeglasses when needed, health and dental care and student and family-focused counseling.

After receiving unanimous approval from the school board in April 2019, the district has also begun implementing a new equity policy that it developed with parents and community members. Directing current and future superintendents and board members to make decisions and set annual goals that advance equity, the policy calls on the district to remedy practices that often result in the overrepresentation of students of color in special education, discipline and alternative schools and the underrepresentation of students of color in gifted and talented and Advanced Placement courses.

Working alongside the district, the Atlanta-based Southern Education Foundation (SEF) is building the capacity of community members to hold public school leaders accountable to these changes and ensure equity remains a priority. Currently, the foundation is focusing its efforts in several Southside schools that serve nearly 10,000 students, 90 percent of whom are children of color from low-income families. SEF designed a series of learning opportunities to help staff, parents, community representatives and students from each school — called a GO Team — influence the development of budgets and improvement plans, including the hiring and evaluation processes for principals.

“We are shifting the power dynamics of parent engagement to include parents of color, especially lower-income parents of color in decision making,” explains Stephanie Flowers, an NPU-V resident who consults for SEF. “This is a model that we hope to expand across the district in the future.”
EDUCATION IN ATLANTA

ATLANTA STUDENTS ARE MISSING KEY READING AND MATH MILESTONES
THIRD-GRADE READING AND EIGHTH-GRADE MATH PROFICIENCY IN 2018

More support is needed, beginning at birth, for students in Atlanta, especially African-American and Latino students, to reach these critical academic benchmarks.

Note: Percentages represent students who score proficient and above.
Source: Governor’s Office of Student Achievement, 2017–18 Georgia Milestones End-of-Grade Assessment (by grade).

SCHOOLS SUSPEND AFRICAN-AMERICAN STUDENTS AT HIGHER RATES
ATLANTA PUBLIC SCHOOLS: OUT-OF-SCHOOL SUSPENSIONS BY RACE AND GENDER: 2017

More support is needed, beginning at birth, for students in Atlanta, especially African-American and Latino students, to reach these critical academic benchmarks.

Note: Percentages represent students who score proficient and above.
Source: Governor’s Office of Student Achievement, 2017–18 Georgia Milestones End-of-Grade Assessment (by grade).
CHRONIC ABSENTEEISM, PREKINDERGARTEN THROUGH GRADE 12
(MISSING MORE THAN 10 PERCENT OF THE SCHOOL YEAR, WHETHER FOR EXCUSED, UNEXCUSED OR DISCIPLINARY REASONS)

Source: Governor’s Office of Student Achievement, 2017–18 Attendance.

THIRD-GRADE READING CAN HELP CLOSE ACHIEVEMENT GAPS
HIGH SCHOOL GRADUATION RATE BY THIRD-GRADE READING LEVEL AND RACE IN GEORGIA (2015–16 SCHOOL YEAR)

A 2017 study by the Governor’s Office of Student Achievement that matched more than 100,000 Georgia students’ 2007 third-grade reading levels with their graduation outcomes in 2016 found that the gaps between African-American and white students nearly closed when children met this critical early milestone.

Though Atlanta has one of the fastest-growing economies of the nation’s large metro areas, it also leads the nation in income inequality. African-American communities along and below I-20 face some of the most persistent poverty rates in the country.
Inequitable access to education and training opportunities is one of several factors contributing to these disparities. Traditional training models are failing to equip residents of color — especially young people — with the skills and credentials necessary to secure good jobs. Though the labor market overwhelmingly requires education beyond high school, just 23 percent of African Americans over age 25 in Atlanta have a college degree, compared to 76 percent of their white peers.\(^4\) With such a staggering imbalance, it is no surprise that the gap between African-American and white employment in Atlanta remains immense.

Beyond the employment rate itself, there also are inequities in the quality and quantity of jobs accessible to Southside residents. Majority African-American neighborhoods are home to just 15 percent of Atlanta’s total jobs,\(^4\) and one-third of residents there do not own a vehicle.\(^4\) With limited public transit options to major job centers, getting to and from work can be extremely challenging. Citywide, only 31 percent of African-American workers are employed in well-paying fields, such as management, science, arts and business.\(^4\) More work is needed to ensure all residents can plug into career pathways that pay family-sustaining wages and provide opportunities for advancement.

Job opportunities alone, however, will not lift African-American families on the Southside of Atlanta out of the intergenerational cycle of poverty they face. Meaningful change will require a more comprehensive workforce system that cultivates people’s strengths and provides services that meet their needs, ensures quality placements in growing sectors and develops meaningful employer relationships, as well as greater access to wealth-building opportunities, including home- and business ownership.

**SPURRING ECONOMIC DEVELOPMENT IN DISINVESTED COMMUNITIES**

Aerotropolis Atlanta, established in 2014, is one of several collaboratives working to ensure low-skilled, low-income residents derive the greatest economic benefits possible from major redevelopment projects. Governed by a board of the region’s top private sector leaders, local mayors, county commissioners and chambers of commerce, the group developed a comprehensive regional strategy to leverage the $6 billion redevelopment of Hartsfield-Jackson Atlanta International Airport to drive economic investment and job growth in the surrounding Southside neighborhoods.\(^4\) A primary focus of the strategy is to establish a more integrated workforce development system that prepares residents living near the airport for career opportunities in the numerous construction, advanced manufacturing and hospitality positions created by the redevelopment project.

In 2017, Generation, a youth employment nonprofit, partnered with the Atlanta Airport Hotel Council and other members of the Alliance to launch the Aerotropolis Hospitality Training Program. The initiative helps young people ages 18–29 who have limited education and work experience gain necessary training and credentials, and it places them in front desk and customer service positions with local employers. To date, the program has hosted 79 youths, with an 80 percent placement rate. Generation estimates that local hotel employers see a $2,800 return on investment for each program graduate they hire.\(^4\)

**SUPPORTING ENTREPRENEURS OF COLOR**

Business ownership can enable African Americans to build wealth
faster than traditional employment, create jobs for others in their community and build an asset that can be passed down.48

On average, minority-owned firms hire people of color at triple the rate of white-owned firms.49 Research has found that if African-American-owned businesses were able to hire at levels comparable to that of white firms in the United States, nearly 600,000 new jobs would be created, and $55 billion would be added to the national economy.50

But in Atlanta, which has one of the highest rates of African-American entrepreneurship in the nation, only 4 percent of businesses owned by African Americans have more than one employee. These businesses also are valued 11 times lower than white-owned businesses.51

The Atlanta Wealth Building Initiative (AWBI),52 a diverse partnership of stakeholders from the public, private and philanthropic sectors, is working to address the city’s severe racial and socioeconomic inequities by expanding business opportunities for entrepreneurs of color in rapidly gentrifying areas along the BeltLine. AWBI’s members have committed $2.9 million in direct and indirect capital to support a multipronged strategy that includes worker-owned cooperatives; land acquisition to develop affordable, community-controlled properties; technical assistance and training; peer learning networks; and flexible financing options, including loans, guarantees and grants. In April 2019, the Kellogg Foundation awarded an additional $1 million grant to AWBI to improve the financial security of African-American business owners in Atlanta, as well as their employees.

“The city of Atlanta is prospering, but not all Atlantans have benefited or will benefit,” says Téné Traylor, a fund advisor for the Kendeda Fund and board chair of the Atlanta Wealth Building Initiative. “AWBI is a solutions-based approach that challenges economic development strategies that have historically taken wealth out of our communities. And it’s built on the belief that fair and inclusive, people-centered strategies can produce outstanding social and financial returns for all.”

In addition to making direct investments, AWBI supports a peer learning network of more than 30 public and private organizations that it hopes can foster more innovative ideas to close the racial wealth gap and achieve shared prosperity throughout the city. Member organizations — including the Guild, Georgia Watch and Georgia Micro Enterprise Network, all local nonprofits — are working on new economic business models to support African-American entrepreneurs in several gentrifying parts of the city.

Atlanta CareerRise is an innovative funding collaborative focused on strengthening workforce development practices to equip residents with the necessary skills to secure careers in high-growth industries. Since its launch in 2011, Atlanta CareerRise reports that its partners have enrolled more than 900 people, 90 percent of whom completed training programs and earned more than 2,200 industry-recognized credentials combined.

A study conducted by Emory University of 300 participants enrolled in the Atlanta CareerRise program between 2013 and 2016 found that graduates were hired more often, remained on the job longer and received better earnings when compared to demographically matched trainees in comparable programs funded by the Workforce Innovation and Opportunity Act.

According to Atlanta CareerRise, these graduates:

- earned 30 percent higher wages over one year, translating to an additional $4,456 in income;

- experienced 19 percent higher employment rates in the first three months after the program, as well as higher employment rates in subsequent quarters; and

- were 19 percent more likely to remain employed 12 months after they completed the program.

Such results are attracting the attention of other partners and investors across the state. Atlanta CareerRise has been engaged to help Georgia’s workforce boards strengthen partnerships with employers in the health care, information-technology and logistics sectors throughout the region, and help more individuals from high-need areas to successfully access services. Through these partnerships, Atlanta CareerRise will examine how services are deployed to participants or communities by race and ethnicity; help develop a more uniform, user-friendly eligibility and application process; and build nonprofit providers’ skills to understand available public-funding opportunities and connect clients to them.53
FINANCIAL STABILITY ELUDES MANY PEOPLE OF COLOR IN ATLANTA

White households in Atlanta are far more likely to have net worth; a checking or savings account; and sufficient savings to keep them out of poverty for at least three months.

LESS THAN HALF OF ALL ATLANTANS HAVE A FOUR-YEAR DEGREE

Eighty-five percent of all jobs in Atlanta, especially higher-income jobs, are located in majority-white NPUs on the city’s northside, severely limiting employment options for residents in South Atlanta.

Source: U.S. Census Bureau, 2015 Longitudinal Employer-Household Dynamics (LEHD).

The income gap in Atlanta is wide.

Over $40,000 | $15,000–$40,000 | Less than $15,000
---|---|---
African American | 52% | 30% | 18%
Asian and Pacific Islander | 43% | 31% | 27%
Latino | 50% | 33% | 17%
White | 69% | 19% | 12%

Note: Data for Asians and Pacific Islanders are not available.

Households without sufficient savings to keep them out of poverty for at least three months.

Over $40,000 | $15,000–$40,000 | Less than $15,000
---|---|---
African American | 42% | 27% | 20%
Asian and Pacific Islander | 60% | 19% | 12%
Latino | 55% | 17% | 12%
White | 55% | 19% | 12%

In January 2018, the nonprofit Georgia Budget and Policy Institute (GBPI) released an ambitious $1 billion investment plan for the state of Georgia. Called People-Powered Prosperity, it promotes putting people first to create a stronger, fairer economy. The plan outlines four strategic goals for the state — educated youth, skilled workers, thriving families and healthy communities — and recommends policy changes to achieve each of them.

GBPI has helped to secure key legislative changes that will strengthen the state’s workforce and create more equitable policies for children and families not just in Atlanta, but statewide.

The plan’s recommendations include:

- updating the state’s K–12 funding formula to meet more rigorous education standards;
- empowering school districts to make investments that will improve student success, especially in high-need schools;
- expanding aid options to make university education more affordable and technical college tuition free;
- increasing funds for adult basic education, language-literacy and skills-training programs;
- helping more working parents afford child care;
- enacting a Georgia Work Credit to help low-income families;
- expanding health coverage so workers and entrepreneurs can see a doctor; and
- investing in mental health and substance abuse treatment.

In 2018, GBPI and its partners successfully advanced many components of the People-Powered Prosperity through policymaker and voter education campaigns.

Among the promising shifts:

- Former Governor Nathan Deal signed a bill to establish the legislative framework for the state’s first need-based college financial aid program.

- For the first time in 16 years, legislators agreed to fully fund Georgia’s own K–12 education formula.

- Policymakers agreed to include $15 million in bonds to replace old school buses, $1.5 million for a statewide leadership academy for principals in high-need schools and more than $4 million for substance abuse recovery programs in the state’s 2019 fiscal budget.

“Georgia fares better when the state has an economy that works for everyone,” says Taifa Smith Butler, executive director of GBPI. “Investing in human capital is the state’s greatest way to bolster Georgia’s economy and ensure broad-based prosperity.”
Address the affordable housing gap through a coordinated set of cross-sector efforts. The mayor’s support of a comprehensive housing agenda has created much-needed momentum, though work remains to halt the displacement of current residents and ensure that Atlanta offers sufficient housing to individuals across the income spectrum, including households with very low incomes. Closing the gap will require increased and aligned public and private funding that can support both the preservation of existing affordable housing and construction of new affordable housing, especially in locations with adequate public transit options, regulatory reforms, property-tax relief and community land trusts.

Support resident engagement and establish inclusive decision-making practices. Investing in community organizing — including training and leadership opportunities for residents, data collection and coalition building — is a critical step to realizing a more inclusive and equitable Atlanta. As city officials, philanthropic leaders and others continue pursuing community development initiatives, it is critical that residents are engaged and supported to drive those efforts.

Promote local policies that improve housing conditions for children and families. State and local policymakers should add statutory language to health, housing and nuisance codes, declaring mold and mildew a code violation and increasing renters’ rights when landlords do not address them. In addition, as existing affordable housing complexes and blighted homes are rehabilitated, developers should be incentivized to incorporate lead hazard reduction, weatherization and energy-efficiency interventions, as well as resident education and training to maintain the improvements.

Promote both affordability and quality of early learning programs. Low- and moderate-income parents struggle to afford any child care and especially the high-quality care that prepares children for success in school. Though Georgia uses federal funding to offer financial assistance for child care costs to income-eligible parents, the threshold is more restrictive than in 39 other states. Only about one in 10 eligible caregivers in Georgia receives child care assistance.

State leaders should revise eligibility guidelines to serve more low-income families and continue investing in incentives for child care providers to improve the quality of care. On the local level, public and private leaders should invest in a fund to increase the number of quality child care slots available to low-income families and to provide scholarships to low-income households. This will benefit not only children, but also their parents and the broader economy.

Advance racial equity in Atlanta Public Schools through policy, practice and funding allocation. Despite promising gains in high school graduation rates and other key educational measures, greater investment and action are needed to level the playing field.

By continuing to address the disproportionate discipline students of color experience, school-system
and civic leaders can also begin to address the achievement gap that exists between them and their white counterparts. District leadership should maintain their commitment to partnering with students, parents and the broader community to examine inequities, including in discipline, course offerings and student support, and implement practices to address them. Ongoing racial-equity impact assessments — which systematically examine the consequences of policy and practice on children of color — can help the district avoid unintended and inequitable outcomes. These assessments can help district leaders make policy and practice changes that keep students from having to transfer repeatedly when housing instability forces their families to move outside of their schools’ attendance zone. This work cannot be done in a vacuum, however. District leaders need the support of parents as well as philanthropic, academic and government leaders to both help and hold them accountable.

6

Support entrepreneurs of color.

Entrepreneurship is a promising pathway to wealth and financial stability for African Americans and other individuals of color. Yet African-American business owners often lack the support, social networks and capital to take their ventures to scale. To increase opportunity for entrepreneurs of color, the public and private sectors should:

- ensure that reliable data are captured and shared to illuminate trends and disparities in business ownership;
- implement inclusive procurement policies, such as local hiring agreements;
- fund programs that enable entrepreneurs of color to establish and build credit;
- invest in strategies that help entrepreneurs access capital; and
- foster networking and peer learning opportunities to help business owners compete for city-led development projects and contracting opportunities.

7

Expand sector-based strategies.

Despite the progress Atlanta CareerRise and its partners are making to connect unemployed and underemployed residents to high-growth industries, more public and private funding is needed to expand wraparound support for job seekers and create opportunities for them to gain paid, hands-on learning to develop the skills employers need. City officials and philanthropic partners should also fund community-based providers to disaggregate data to understand how and where workforce services are deployed and expand effective training programs to help workers access family-sustaining wages and careers.

8

Practice inclusive economic development. Though Atlanta’s economy is growing, not all residents are benefiting. City officials, developers and other business stakeholders should work with community members to understand the potential impact of major redevelopment projects and ensure existing residents derive the greatest benefits possible, including job and career opportunities. These leaders should also invest more into community development corporations to support the work they are doing with civic associations, workforce development organizations and local entities to ensure that long-term residents are not displaced.
Despite the promising work highlighted in this report, children and families of color in Atlanta continue to face deeply rooted barriers that prevent them from accessing the same opportunities and resources as their white counterparts.

We must work together to support all children’s healthy development and educational success, beginning at birth; foster inclusive economies in which all Atlantans can participate and build intergenerational wealth; and promote thriving communities across the city.

Meaningful progress will require buy-in and collaboration at all levels, including city and state government, the philanthropic and private sectors and, most importantly, residents.

The collective response to these issues will determine the future identity and prosperity of Atlanta — a city with a rich civil rights legacy and immense potential for continued growth.
endnotes


4 Similar to Atlanta, the statewide high school graduation rate has increased significantly, jumping from 70 percent in 2012 to 82 percent in 2018. Passage of House Bill 91 in 2015, which eliminated the requirement of passing scores on high school graduation tests, contributed to these increases. Georgia Department of Education. (2015, April 13). Frequently asked questions regarding the removal of graduation assessments needed to graduate high school: Version 2. Retrieved April 7, 2019, from www.gadoe.org/Curriculum-Instruction-and-Assessment/Assessment/Documents/HB91%20FAQ%20-%20Version%202.pdf. Between 2014 and 2015, the graduation rate in Atlanta Public Schools (APS) rose from 59 percent to 72 percent while the statewide graduation rate increased 6 percentage points to reach 79 percent. APS leaders also point to increasing programs that provide social and emotional support to students, providing alternative ways to make up credits and tracking data that alert school officials so they can intervene when students miss too many days of school or are failing too many classes. McCray, V. (2018, September 19). Atlanta high school graduation rate increases, approaches state average. Atlanta Journal-Constitution. Retrieved April 7, 2019, from www.ajc.com/news/local-education/atlanta-high-school-graduation-rate-increases-approaches-state-average/6qYAnbnBd6bLyKBG088pL


17 The Atlanta BeltLine is a 22-mile development project underway to replace underused rail beds encircling downtown with trails, parks and transit.


30 Although state law now allows eighth-grade students to take advanced algebra and geometry course assessments to fulfill the Georgia Milestones eighth-grade mathematics assessment, 91 percent of eighth-graders in Atlanta Public Schools took the End-of-Grade assessment in 2018.


38 Atlanta Board of Education. (n.d.). Board policy: Equity. Retrieved April 7, 2019, from https://drive.google.com/file/d/1_Xp_snVzjs-7ZBWqTnLTBDQGwBFPSjRP/view


50 The Association for Enterprise Opportunity. (n.d.).


